



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CN 712

TRENTON, NEW JERSEY 08625  
(609) 588-2600

ALAN J. GIBBS  
Commissioner

SAUL M. KILSTEIN  
Director

MEDICAID COMMUNICATION NO: 91-24

DATE: October 17, 1991

TO: County Welfare Agency Directors

SUBJECT: Charity Care Referral

County welfare agencies undoubtedly receive numerous inquiries from individuals seeking Medicaid benefits for the payment of outstanding or ongoing hospital bills but who are ineligible for assistance. Though these individuals do not qualify for Medicaid benefits, they may be eligible to have their hospital bills covered by meeting the charity care and reduced charge charity care eligibility criteria, through the New Jersey Health Care Trust Fund (NJHCTF).

The NJHCTF, administered by the Department of Health, establishes a sliding fee scale for patients whose family income is less than 250 percent of the federal poverty guideline and meet the resource standard. The percentage of the charges to be paid by the patient will vary based on the patient's family income at the time of service.

To assist your staff in referring appropriate individuals for charity care and reduced charge charity care, attached is a copy of the income and resource guidelines and the co-pays for persons and families who meet the criteria for charity care and reduced charge charity care. An application must be filed within one year of the date of service at the facility where the patient received the services. Hospitals should be notifying patients, upon admission or before discharge, of the application process for charity care.

Please refer any questions relating to this communication to the field service staff assigned to your county.

Sincerely,

  
Saul M. Kilstein  
Director

SMK:PJd

Attachment

cc: Marion E. Reitz, Director  
Division of Economic Assistance

Nicholas R. Scalera, Director  
Division of Youth and Family Services

# CHARITY CARE AND REDUCED CHARGE CHARITY CARE ELIGIBILITY CRITERIA

Effective: April 17, 1991

Patients Must Meet Both Income and Assets Criteria

## INCOME CRITERIA

Percentage of Charges Paid by Patient  
When Gross Annual Income Is Within the Following Ranges:

Family Size*	Patient Pays 0% of Charges	Patient Pays 20% of Charges	Patient Pays 40% of Charges	Patient Pays 60% of Charges	Patient Pays 80% of Charges	Patient Pays 100% of Charges
	≤150%	>150 ≤175%	>175 ≤200%	>200 ≤225%	>225 ≤250%	>250%
1	\$9,930 or less	\$9,931 to 11,585	\$11,586 to 13,240	\$13,241 to 14,895	\$14,896 to 16,550	\$16,551 or more
2	\$13,320 or less	\$13,321 to 15,540	\$15,541 to 17,760	\$17,761 to 19,980	\$19,981 to 22,200	\$22,201 or more
3	\$16,710 or less	\$16,711 to 19,495	\$19,496 to 22,280	\$22,281 to 25,065	\$25,066 to 27,850	\$27,851 or more
4	\$20,100 or less	\$20,101 to 23,450	\$23,451 to 26,800	\$26,801 to 30,150	\$30,151 to 33,500	\$33,501 or more
5	\$23,490 or less	\$23,491 to 27,405	\$27,406 to 31,320	\$31,321 to 35,235	\$35,236 to 39,150	\$39,151 or more
6	\$26,880 or less	\$26,881 to 31,360	\$31,361 to 35,840	\$35,841 to 40,320	\$40,321 to 44,800	\$44,801 or more
7	\$30,270 or less	\$30,271 to 35,315	\$35,316 to 40,360	\$40,361 to 45,405	\$45,406 to 50,450	\$50,451 or more
8	\$33,660 or less	\$33,661 to 39,270	\$39,271 to 44,880	\$44,881 to 50,490	\$50,491 to 56,100	\$56,101 or more

For families with more than 8 members, use the following ranges for each additional member:

	\$3,390 or less	\$3,391 to 3,955	\$3,956 to 4,520	\$4,521 to 5,085	\$5,086 to 5,650	\$5,651 or more
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\*A pregnant woman is counted as 2 family members.

If patients on the 20% to 80% sliding fee scale are responsible for Chapter 83 hospital bills in excess of 30% of their gross annual income (i.e., bills unpaid by other parties), then the amount in excess of 30% is considered charity care.

## ASSETS CRITERIA

Individual liquid assets cannot exceed \$1,000 and family liquid assets cannot exceed \$2,000.